

Bylaw 5: INVESTMENT BY-LAW

Investment of Surplus Funds

- (a) The Board may invest surplus funds of the co-op in government bonds, or interest-bearing deposits or other interest-bearing securities with a credit union, chartered bank, trust company, or Province of Ontario Savings Office. Surplus funds shall be invested in a manner that achieves a reasonable rate of return but does not jeopardize the financial stability or interfere with the normal operation of the co-op. The Board shall not invest any funds of the co-op in any security or investment other than mentioned above or any security having a maturity date of one year or longer from the time of the investment without the authority of a resolution of the members.
- (b) When investing funds of the co-op, preference shall be given to investments with credit unions and other co-operative financial institutions if the terms of such investments are reasonably comparable to or better than those generally available.
- (c) The Board shall invest all reserve funds in accordance with subsection (a). The interest earned on reserve funds shall be added directly to the reserve and shall not be considered operating revenue.

approved by the Finance Committee
approved by the Board: October 25, 2000
approved at the General Members' Meeting: November 20, 2000